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ABSTRACT

This document is intended to promote understanding of performance standards in Job Training Partnership Act (JTPA) and Employment Service (ES) applications; to promote more appropriate use of performance standards in managing and overseeing job training and job placement programs at the state and local levels; and to foster the integration of the job training and job placement systems through performance management. Those purposes are outlined in the first section. The second section provides a history of the development of performance standards in the JTPA and ES systems and states some important principles underlying the approaches developed to support performance management in those systems. The third section outlines the mechanics of using performance standards. The next section is devoted to major criticisms of performance standards, involving both conceptual and technical issues. The document's narrative concludes by stating some directions for the future and calling for increased coordination between job training and job placement. Appendix A presents the key components of the JTPA performance standards system. Appendix B shows adjustment model factors for program years 1986 and 1987. Appendix C is a 12-item annotated bibliography. (CML)

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PERFORMANCE STANDARDS IN JOB TRAINING AND JOB PLACEMENT PROGRAMS

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Performance Standards in Job Training and Job Placement Programs

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Performance Standards in Job Training and Job Placement Programs

Preface

The National Association of Counties (NACo) is pleased to publish this Issue Paper entitled "Performance Standards in Job Training and Job Placement Programs" by Dr. Christopher King.

Performance standards are among those Job Training Partnership Act program issues which have received substantial attention. As this Issue Paper goes to press, the United States Department of Labor has convened a number of task forces and work groups designed to review and improve existing measures and develop new ones, if that is necessary.

We, at the National Association of Counties, believe that this Issue Paper will contribute much to the discussion about and proper use of perfomrance standards. The author points out in the first pages of this report that it has several purposes, including to promote fuller understanding of, more appropriate use of and integration of job training and placement through performance standards.

This paper was sponsored by NACo's Training and Employment Programs through a grant from the United States Department of Labor Employment and Training Administration. This paper does not reflect, necessarily, the views or opinions of the Department of Labor.

We would appreciate your comments on this paper. Please address your comments to Neil E. Bomberg, Research Associate and Editor, Issue Papers Series, National Association of Counties, 440 First Street, N.W., Washington, D.C. 20001.

Performance Standards in Job Training and Job Placement Programs

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Performance Standards in Job Training And Job Placement Programs

Executive Summary

The purpose of this report is to promote fuller understanding of performance standards in both Job Training Partnership Act (JTPA) and Employment Service (ES) applications, to promote more appropriate use of performance standards in overseeing and managing state and local job training and job placement programs, and to foster integrated job training and job placement systems through performance management.

For more than 20 years, job training and job placement programs have used some type of performance management system. Initially, job training programs were funded on the basis of grant proposals and past performance records. With the Comprehensive Employment and Training Act (CETA), funding was based on need, rather than performance, though the U.S. Department of Labor (USDOL) did develop a technical assistance guide (TAG) which suggested approaches for ensuring management toward performance. In 1978, performance standards were mandated in the CETA Reauthorization Amendments, though no rewards or sanctions were included. By 1981, USDOL implemented "benchmarks", an experimental system of performance standards and related local adjustment approaches. JTPA merged funding based on need with funding based on performance. A portion of JTPA funds is set aside and awarded based on prior program year performance. Full scale implementation of performance standards in job training programs took place in Program Year 1984 and application of sanctions for failure to meet or exceed standards for two years occurred for the first time in late 1986. With the completion of the first two-year performance management cycle, program accountability via performance standards, incentives and sanctions truly had arrived.

Performance-related responsibilities for the key actors in job placement programs were much more loosely defined at all levels. Under Wagner-Peyser, the Secretary of Labor may establish state performance standards. To date, the Secretary has established 11 performance measures along with corresponding national departure points and a suggested methodology for adjusting four measures. Governors may use any or all of the standards and may make appropriate adjustments. Though states use some of the standards, none use the adjustment model. In addition, some states have distributed incentive bonuses; others have not. Most importantly, none has used job training and job placement performance standards to achieve closer coordination of JTPA programs with the Employment Service.

Both the job training and job placement performance standards systems take into account differences among local programs while providng a systematic process for assessing program effectiveness. For job training the Secretary is charged with developing and implementing standards. Seven have been developed. Their advantage is that they provide a method for determining performance expectations based upon past experience , they can be adjusted to account for local conditions, and they offer an equitable basis for awarding incentive funds and applying sanctions.

For job placement programs the underlying rationale for the performance measures is the same as that for JTPA. As with JTPA, their advantage is that they provide a method for determining performance based on past experience. They can be adjusted to account for local conditions and provide a basis for awards or sanctions.

However, performance standards have been criticized for causing service delivery areas (SDAs) and ES offices to become overly concernecd with numbers served, to cream from eligible clients to raise the positive termination rates and to move toward quick fix rather than long term solutions. More specifically, the adjustment models have been criticized because their explanatory power is relatively low; because needed data is limited and difficult to obtain; and because they create performance expectations which do not account for chronic over- or under-achievers.

Efforts to look at post program performance standards are a step to address these issues. Among the measures being considered are employment rate 13 weeks after completion of program; average weekly earnings; and average number of weeks worked. Ultimately, these measures should become the basis for integration of JTPA and ES programs to achieve better client services, reduced expenditure of funds in these areas, and avoid service duplication.

Performance Standards in Job Training and Job Placement Programs

Purpose of the Report

Since the passage of the Job Training Partnership Act (JTPA, P.L. 97-300) in late 1982, a number of technical assistance guides (TAGs) have been developed and distributed to the major actors in the job training and job placement systems, many of them dealing with performance standards. With few exceptions, these TAGs have been technical in nature, geared toward the staff responsible for the day-to-day implementation of the standards provisions and requirements.[1] This paper is aimed at an audience which includes the staff but also reaches out to encompass a broader group, including service delivery area (SDA) directors, members and staffs of the local Private Industry Councils (PICs) and State Job Training Coordinating Councils (SJTCCs), and local elected officials. Until the concepts and intent of performance standards are made understandable to these groups, the true impact of the new job training and job placement directions will not become a reality.

This performance standards paper has several related purposes:

- To promote fuller understanding of performance standards in both JTPA and Employment Service applications.
- To promote more appropriate use of performance standards in managing and overseeing job training and job placement programs at the state and local levels.
- To foster the integration of the job training and job placement systems through one of the more important mechanisms available, performance management.

Although this paper has been designed for use by a very broad audience -- including the first-time staffer -- its primary audience is the SDA or PIC director who, because of necessity, carries a large share of the responsibility for program performance within the parameters established by performance standards requirements.

Key topics covered are as follows:

- The Context for Performance Standards, including an examination of their evolution and important conceptual underpinnings;
- Performance Standards Mechanics, from the point of view of the informed lay person;
- Major Problems With and Criticisms Of Performance Standards as they have been developed and used in recent years; and
- Future Directions in performance standards and performance management.

Background: The Context for Performance Standards

This section provides an abbreviated history of the development of performance standards in the two systems and elaborates upon some of the more important conceptual underpinnings of these provisions. With a historical perspective and an understanding of the intent of the provisions, this paper offers a better context for utilizing performance standards.

A Brief History

For more than two decades, job training and job placement programs in the United States operated under varying arrangements at the federal, state and local levels with only the most cursory attention to performance management. The following discussion briefly summarizes the evolution of performance standards and related provisions in both the job training and job placement systems.

Job Training. Since the emergence of publicly-funded job training programs in the early 1960s, there have been three major phases in performance standards implementation. During the first phase from 1961 to 1973, programs were inherently performance-based. The federal government provided funding for programs at the local level to either governmental bodies or community organizations, largely bypassing governors. Funding, however, was typically forthcoming only if the local entity had written a quality grant proposal and could demonstrate a record of past performance.

The passage of the Comprehensive Employment and Training Act (CETA, P.L.93-203) in 1973 marked the beginning of the second phase. Here funding followed need rather than performance. From 1973 to 1983, federal job training funds were allocated based upon measures of relative need, such as shares of unemployment or the incidence of the economically disadvantaged population. Shortly after CETA's initiation, the U.S. Department of Labor (DOL) issued a series of TAGs designed to help states, cities and counties with new program responsibilities associated with implementing a fairly complex set of requirements. One of these TAGs was developed around concepts and mechanisms for managing the performance of local programs.[2]

There were no particular performance expectations or requirements placed on local efforts beyond reporting requirements; the TAG merely suggested appropriate approaches for ensuring management towards performance. Regardless of performance, local programs could count on receiving their allocations for the year unless they had extreme, documented fiscal or legal problems.

In the mid-1970s there were signs of change. The Department of Labor began to establish goals and expectations to varying degrees of specificity, including "performance indicator clusters", in their regional offices. Regional DOL representatives assessed the local programs based upon performance relative to these indicators. However, there were no positive or negative implications connected to this assessment. Further, it was left to each individual representative to determine whether and to what extent an area's performance indicators needed to be adjusted for differences in local economic conditions or participant characteristics through the use of "interpretive factors". The process was highly subjective, in effect making each regional federal representative a walking adjustment model, without the quantification or predictability of later approaches.

Until the 1978 CETA Reauthorization Amendments (P.L. 95-524), performance standards were not mentioned in the authorizing legislation for employment and training programs. The 1978 Amendments introduced performance standards, but were silent on their implications. After a multi-year effort to redesign the nation's management information systems for job training in order to support the establishment of standards and subsequent efforts to identify and develop appropriate standards, an experimental system of performance standards -- known as "benchmarks" -- was initiated in late 1981. This system, which was a part of a broader framework for performance management including summer youth and post-program standards, was left hanging in the period of uncertainty surrounding the phasedown of CETA and the passage of new job training legislation. However, many of the components of the current performance standards approach -- from the process for developing the standards to the local adjustment approach -- were laid out in the period immediately preceding the passage of JTPA.

The third and current phase began with the implementation of JTPA. Programs now receive funding through a mechanism based upon a combination of need and performance. Most program funding flows to local SDAs through a federally-prescribed formula based upon shares of unemployment and low-income population. A portion of the funds, however, is set-aside and awarded based upon prior-year performance according to standards established by the Secretary of Labor. JTPA, with its accompanying amendments to the Wagner-Peyser Act, which authorizes the federal-state labor exchange system, initiated the following major changes in the job training/placement environment:

- o Eliminated public sector employment (PSE) from the available tool kit;
- o Strengthened the role of the governor in planning and managing programs;
- o Enhanced the control of the private sector in local program planning and operations through the private industry councils (PICs);
- o Mandated closer coordination between the job training and job placement systems through joint planning via state job training coordinating councils (SJTCCs) and PICs;
- o Added a major new funding title, Title III, for aiding workers displaced due to technological changes or laid off due to plant closings or other events; and
- o Instituted outcome-based performance standards, accompanied by real incentives and sanctions, to be established by the Secretary of Labor and implemented by the governors.

Most of these changes in the program environment had considerable precedent. The PSE component had been zeroed-out of the federal budget in 1980-1981. Governors already had control of the old balance-of-state programs under CETA and varying degrees of influence over their state labor exchange efforts. PICs had first been created in the 1978 CETA Amendments. Coordination between these two programs had been a requirement in some form for a number of years. Programs for displaced workers had been operated on a limited, demonstration basis under CETA. The magnified role of performance standards and performance management to many observers was the very essence of the newly-constituted job training/job placement system in the JTPA era.

Full-scale implementation of performance standards took place in Program Year (PY) 1984 (July 1, 1984 through June 30, 1985). The federal regulations for the 9-month Transition Year 1984 allowed governors to reward local SDAs on the basis of performance relative to standards, but precluded them from punishing or sanctioning based upon poor performance. Only a few states actually gave out incentive awards. With the provision of awards across the country in the fall of 1985 -- based on PY 1984 performance -- the reality of these new provisions began to take hold. Application of sanctions for failure to meet or exceed standards for two years occurred for the first time in late 1986. With the completion of the first two-year performance management cycle, program accountability via performance standards, incentives and sanctions had truly arrived.

Job Placement. Related developments have been underway in the federal-state job placement or labor exchange system authorized throughout the country under the Wagner-Peyser Act of 1933. State Employment Service Agencies (SESAs) have been operating under this unique federal-state cooperative system for more than 50 years, and, most of this time, they have operated autonomously receiving funding directly from the federal government. SESAs offer a variety of services -- ranging from providing labor market information, developing job orders with employers, testing and screening potential employees, providing job referrals, to performing the "work test" for unemployment insurance claimants, welfare and food stamp recipients and other activities and services -- geared to facilitating labor exchange between employers and potential employees. One very important distinction which should be made between the job training and placement systems is that, while eligibility for job training programs is restricted largely to economically disadvantaged persons, local ES offices must serve anyone and everyone coming through their doors. Open eligibility is the rule in job placement services although some groups such as migrant workers, handicapped persons, and veterans may be given special priority for service.

The performance orientation of the job placement system also has evolved through several distinct phases during its lengthy history.[3] Focusing upon more recent periods, in line with the discussion on job training, there appear to have been more frequent shifts in the performance orientation of these efforts, and the phases are more difficult to characterize clearly. In many instances, the orientation of the job placement system moved counter to that of the job training system, making coordination

something of a problem. During the 1950s and early 1960s, funds for labor exchange were allocated to SESAs based upon a combination of factors including measures of staff workload and need, as well as performance. This allocation system was dropped in favor of one which distributed funds based upon the state's relative share of economically disadvantaged persons in the population, in keeping with the redirection of the entire ES system, during the 1960s and early 1970s toward serving the poor. From 1975 to 1979, funds were allocated to states through a series of formulae based primarily on their performance. From FY 1980 to 1982, state funding was primarily tied to its previous year's funding level (98 percent). The passage of JTPA, however, brought significant change to the entire structure of the labor exchange system, especially performance related aspects.

Before examining the JTPA Amendments to Wagner-Peyser, it is worth noting that the only pre-JTPA federal provisions related to performance management were those concerning the allocation of funds to the states -- which only applied to a very small portion of the funds -- and the general administrative requirements that the U.S. Employment Service (USES) prescribe minimum standards of efficiency for the system. The USES was also to ensure that relatively uniform management information systems were established by the states. Any additional performance management provisions were left to state discretion; none were implemented. The entire Wagner-Peyser Act was, and remains, only a few pages in length.

JTPA's passage in late 1982 significantly altered labor exchange programs. Front-end planning was eliminated in favor of the management of performance in relation to outcomes, including the relationship to job training efforts. The following changes were particularly relevant to performance management:

- o States receive funding based solely upon a needs-based formula which uses relative shares of unemployment and the civilian labor force.
- o Funding flows to governors rather than directly to SESAs, and state funds are divided into two components:
  - Basic Labor Exchange (90 percent) to provide the general basic exchange activities and services locally through a substate formula determined by the governor.
  - Governor's Discretionary Funds (10 percent) for three uses: performance incentives for local offices and programs; services for groups with special needs; and exemplary models.
- o The Secretary of Labor may establish national performance standards for labor exchange, based upon such measures as placements, wages and job retention.
- o Planning for labor exchange must be conducted jointly at the SDA level, with PIC and State Job Training Coordinating Council review; thus, coordination between the job training and job placement systems is mandated.

Legislative Provisions and Responsibilities of Key Actors

The framework which has been devised over the last five years for both the job training and job placement systems is comprised of most of the same elements and reflects the same basic methodological approach. Yet, there are numerous differences in the legislative provisions and responsibilities of the key actors in each system. These are now discussed.

Job Training. The purposes of JTPA are to increase the labor force participation of youth and unskilled adults, and to provide job training for economically disadvantaged persons and those facing serious barriers to employment [Sec. 2]. The Act views job training as an investment in human capital, the return on which for adults is to be measured by:

- o Increased employment and earnings; and

- o Reductions in welfare dependency [Sec. 106 (b)(1)].

For youth, the measures are to include:

- o Job placement; as well as
- o Participation in training or apprenticeship programs;
- o Attainment of employment competencies recognized by the local PICs; and
- o Completion of elementary, secondary and post-secondary school requirements [Sec. 106 (b)(2)].

The responsibilities for establishing and implementing these various performance standards provisions are shared by a number of key actors in the job training system. Exhibit 1 briefly describes the responsibilities of key actors in both the job training and the job placement systems. The Secretary of Labor is responsible for establishing and defining performance standards for adult, youth and dislocated worker programs. These standards are to be implemented by the governors. To date, DOL has issued standards for seven performance measures to be used for evaluating and rewarding performance under Title IIA programs. Calculated annually using prior year JTPA program data, they are defined as shown in Exhibit 1, on the following page, and Appendices A and B.

These seven performance measures -- in place since JTPA's inception in 1983 and applicable at least through PY 1987 (i.e., June 30, 1988) -- focus exclusively on immediate program outcomes. However, as discussed later, DOL has instituted changes which ultimately will incorporate post-program performance measures into the federal performance standards system. Beginning with the PY 1986 reporting cycle, states are required to collect and report post-program data on Title IIA adult and Title III programs. The new reporting requirements center around three outcome measures that are used to describe the labor market experiences of former JTPA program participants over a 13-week period. The three measures are candidates for PY 1988 performance standards as potentially better proxies for longer-term impacts of program participation. In PY 1988, these proposed measures may be used in conjunction with or in place of some or all of the current termination-based measures.

Six percent of each state's Title IIA allocation is to be used by the governor to award performance through incentive grants to SDAs who exceed their local performance standards and to provide generalized technical assistance to all SDAs [Sec. 202 (b)(3)]. Thus, JTPA creates a performance-driven system in which SDA-based performance standards are specified, and performance which meets or exceeds these standards is rewarded. In keeping with the decentralized nature of the program, governors are ultimately accountable for their JTPA programs and are required to establish policy regarding all aspects of the performance standards system -- from specifying the methods to be used in calculating performance standards for each local SDA to determining the basis upon which six percent funds will be awarded for performance against those standards. The relative importance of standards must be determined, and the state may consider adding other standards, including those which allow incentives for serving participant groups which the state classifies as hard-to-serve.

In addition, governors are responsible for ensuring that SDAs are treated equitably with regard to performance measurement and subsequent determination of eligibility for incentive funds. They must initially decide what process(es) will be used for setting the local performance standards, but must further clarify -- and communicate to the SDAs -- policy regarding:

- o Standard setting, adjustment and recalculation procedures;
- o Incentive grant eligibility and award determination procedures; and
- o Corrective action or reorganization actions to be applied to SDAs judged as having failed to meet their performance standards for two years [Sec.106 (h)].

EXHIBIT I: PERFORMANCE STANDARDS RESPONSIBILITIES OF KEY ACTORS

System Actor	Job Training Title IIA	Job Placement
Secretary of Labor	o Develops performance standards (required). o Establishes parameters within which governors may prescribe standards variations locally. o Rules on SDA sanction appeals for failing to meet standards.	o Develops performance standards (optional). o Performance standards take into account state plan priority differences (required).
Governor	o Prescribes variations in performance standards for economic, geographic and demographic factors, service population characteristics and services provided. o Establishes and applies policies for: - distribution of SDA incentives - provision of technical assistance - reorganization/ correction action for SDAs. o Establishes additional standards (optional).	o Adjusts state & substate standards for direct or indirect placement wages, retention, etc. o Establishes and applies policies for: - distribution of incentives to local ES offices and programs - provision of technical assistance (optional) - reorganization/ correction action (optional). o Review the state ES plan (including provisions).
State Job Training Coordinating Council (SJTCC)	o Develops the Governor's coordination and special services plan. o Recommends to the governor variations in performance standards. o Advises on local plan approval. o Reviews local performance.	o Advises on local plan approval. o Reviews local performance.
Local Entities	o PICs/SDAs plan and provide for services to exceed standards. o PICs develop/recognize youth employment competencies.	o ES offices plan SDA-level services (jointly with PICs and elected officials) to exceed standards.

Finally, with regard to corrective action, states must define what constitutes "failing to meet standards", as well as the sanctions that apply for various types and degrees of failure. Again, the issue of relative importance of individual standards should be taken into consideration. Governors' decisions regarding SDA sanctions are subject to appeal to the Secretary who is charged with ruling only on whether the governor's decision is consistent with the performance standards provisions of the Act.

Job Placement. Performance related responsibilities for the key actors in job placement programs are much more loosely defined at all levels. The application of standards occurs in an environment which is considerably changed in terms of its planning parameters. With the JTPA amendments, planning for job placement has greater local input and tighter coordination with job training, both at the local and state level [Sec. 8(b)]. The local PICs, SJTCCs and governors serve major plan review functions.

In sharp contrast to JTPA, under Wagner-Peyser as amended, the Secretary of Labor may establish performance standards for states' basic labor exchange programs [Sec. 13(a)]. JTPA requires the Secretary to establish standards according to definite timelines and under a variety of constraints; Wagner-Peyser merely authorizes the Secretary to establish them (See Exhibit 1). To date, the Secretary has established eleven (11) performance measures, along with corresponding departure points and a suggested methodology for adjusting only four of these measures from the departure points at the state and substate (SDA) level.

The suggested labor exchange performance measures are as follows:

- o Basic Outcome Measures
  - number of individuals placed;
  - number of placement transactions;
  - number of individuals who obtained employment; and
  - number of individuals who secured employment (combination of above two measures).
- o Efficiency Measures
  - individuals placed per staff year;
  - placement transactions per staff year;
  - individuals who obtained employment per staff year; and
  - individuals who secured employment per staff year.
- o Work Test Measures
  - number of Unemployment Insurance (UI) claimants placed;
  - number of UI claimants who obtained employment; and
  - number of UI claimants who secured employment.

These measures address different aspects of the labor exchange function. The use of any of them is dependent upon the specific goals that a state establishes, and the decision to use any of the measures is a state prerogative.

Governors at the state level are in roughly the same position as the Secretary of Labor. Governors are authorized to use any or all of the standards established by the Secretary and to make appropriate adjustments-- for state goals, types of programs, local conditions, etc. -- at the state and substate level

[Sec. 7(b)(1)]. To date, although several states have explored the use of the suggested substate adjustment models, none has actually implemented them. Some governors have distributed incentives; some have not. Very few states have managed to achieve close coordination with job training efforts through use of the performance standards process.

Underlying Principles

There are a number of important principles underlying the approaches developed to support performance standards and performance management in the job training and placement systems. These underlying principles include the following:

- Performance standards should be used to encourage good performance. Local SDAs should not be penalized for trying to do the right thing. Service to groups viewed as hard-to-serve or most in need should be encouraged rather than restricted.
- SDAs should be rewarded for good performance, not good planning.
- SDAs should not be penalized for operating in a difficult environment, particularly one undergoing major economic and labor market changes.
- An SDA should primarily compete against itself, not other SDAs.
- Performance standards, as calculated through the adjustment models, should serve as a management tool for use in program planning, refinement and evaluation.
- Numerical performance standards should serve as the beginning point for state-local discussions concerning proper program management, not the ending point.
- There is much more to good program performance than just exceeding a set of performance standards.

The Mechanics of Performance Standards

Key Components

Both the job training and job placement performance standards systems take into account differences among local programs while providing a systematic process for assessing program effectiveness. Adjustment methodologies are available to control for variation among who is served by the program and under what local conditions. Further adjustments in JTPA account for the length of participation and in ES programs, for resource availability (i.e., staff years paid). In the JTPA system, use of the adjustment methodology has received much stronger encouragement from DOL, while in job placement programs, the effort has been far more low-key, simply making materials on the methodology available.

Job Training. The Secretary of Labor is charged with establishing performance standards and seven such standards have been issued for JTPA through PY 1987. The Secretary may only change the standards every two years, in keeping with the two-year planning cycle. For each of those standards, adjustment models are reestimated annually for use at the state and local levels, using actual JTPA data. They provide a valid, systematic method for generating performance expectations based upon past experience with similar groups of individuals. They offer an equitable basis for awarding incentive funds and applying sanctions.

Since the models are developed using prior-year JTPA data and local economic data, they attempt to account, or hold harmless, for factors viewed as being beyond the SDA's control, assuming that the remainder can be attributed to local management. Prior to PY 1986, the models were specified using CETA performance data. When JTPA data (PY 1984) became available, it was used in the model development process. At that time, performance standards were explicitly defined as minimum

acceptable levels of performance and were set at levels such that 75 percent of the SDAs could be expected to exceed predicted performance levels for the various outcome measures.

The performance standards adjustment models provided by DOL are constructed using a statistical technique called multiple regression analysis. This process allows multiple local factors to be considered simultaneously and determines the amount of variation in performance -- for a given measure -- that is independently attributable to each local factor contained in the model. (Appendix B presents the factors contained in the PY 1986 and 1987 JTPA models.)

For a local terminee or economic factor to be included in one of the adjustment models, it must:

- Have a strong relationship to outcomes;
- Be consistent with DOL policy, (i.e., that SDAs should be held harmless for it);
- Be objective and easily quantifiable;
- Have substate data available to support it; and
- Not reflect program design and management practices.

Job Placement. The underlying basis for the job placement adjustment models is essentially the same as that for the JTPA models, although the job placement models do not apply to all of the eleven performance measures which have been suggested. As with JTPA, statistical techniques have been applied to past data on program performance under Wagner-Peyser at the state and substate level (in eighteen states for which consistent data were available for several consecutive years). The four measures for which adjustment models are currently available follows:

- The number of individuals placed;
- The number of placement transactions;
- Individuals placed per staff year; and
- Placement transactions per staff year.

Governors opting to use the models for these four measures can be relatively confident that they are employing a fair and equitable means of systematically adjusting local performance and, thus, appropriately assessing performance and awarding incentives. The PY 1986-1987 model adjusts the departure points for each of these measures for the following factors:

- Unemployment;
- Staff Years Paid;
- Population;
- Population Density;
- UI Claimant Registrants; and
- Youth Registrants.

It should be noted that "Staff Years Paid" reflects the level of resource availability in the local job placement program rather than a management variable, since the substate allocation of staff is primarily a state-level decision variable, in sharp contrast to the JTPA system. Like JTPA, the job placement adjustment models' function is to adjust for factors beyond the control of local management.

PY 1987 JTPA Performance Standards Calculations

Governors are required to set local SDA standards, using established procedures, for each of the federally-mandated performance measures. For PY 1987, the states have several options regarding performance standard calculation. They may opt to:

- o Use the Department's adjustment models developed for PY 1987 application;
- o Use the PY 1986 adjustment models;
- o Adopt and apply the national standards to all SDAs in the state; or
- o Develop another approach for standard setting and measurement, consistent with criteria established by DOL.

DOL policy allows states to use either the PY 1986 or PY 1987 models for PY 1987 largely to allow for consistency over the two-year (PY 1986-1987) planning cycle and to help minimize disruptions associated with implementation of the new federal post-program reporting requirements. In addition, it is hoped that this choice -- accompanied by the governor's option to make additional adjustments to local performance standards --will encourage additional services to client groups viewed as at-risk or hard-to-serve, who typically require longer-term, higher-cost services.

States have the option to make further adjustments to local standards, provided such adjustments meet the parameters set forth by DOL (See Appendix A). It should be noted that use of either of the DOL models minimizes the states' burden for development and adjustment, since each of the factors included in the models meets the Secretary's parameters. Thus, only additional adjustments would necessitate further documentation. In addition, in case of SDA appeals, the Secretary is predisposed to ruling in favor of states using the Department's adjustment methodology.

It is essential to remember that the predicted performance standards are basically a moving target. They are estimated during the planning process at the beginning of the program year using planned terminee characteristics. However, the predicted level changes daily as participants move through the delivery system and terminate from the local employment and training programs. An SDA's final performance standard is the one calculated at the end of the year, using actual terminee and program information, along with updated local economic data. The recalculated number, as estimated via the model or further adjusted by the state, serves as the benchmark for determining whether or not the SDA has exceeded its standards.

PY 1986-1987 Wagner-Peyser Standards Calculations

The process of calculating local performance standards under Wagner-Peyser programs is parallel to that under JTPA, at least for those measures for which the adjustment methodology is available. Planned data for the upcoming program year is fed into the relevant model to give planned performance standards. These standards account for most important local variations not subject to management decision, including population and economic conditions, resource availability and the types of individuals likely to be served. They do not adjust for such factors as special local policy emphasis or other exceptional circumstances not provided for in the model. Examples of special policy emphasis included local projects to increase the level or type of service to ex-offenders, those with language barriers, or other hard-to-serve groups not already factored into the models. Exceptional circumstances -- which might have either positive or negative effects on expected performance -- might include major business opening/closing, labor disputes, the development of exclusive hiring agreements with major employers, and natural disasters, among others.

At the end of the program year final performance standards can be calculated based upon actual events taking place during the year, producing a "moving target" phenomenon similar to that in JTPA. The end-of-year calculations may account for at least some of the above mentioned, exceptional circumstances. Governors may also want to apply other types of adjustments to the calculated

performance standards, including adding productivity factors, specific past performance adjustments (to adjust for local programs which are persistent low or high performers relative to predictions based on the models).

Aside from purely technical issues, the processes for adjusting local performance under both the job training and job placement systems are remarkably similar. The primary differences lie in the fact that models are not available for all of the job placement measures and that the specific factors in the models differ. The underlying principles, most of the responsibilities at each level, and the calculation steps and their sequence are the same. Adoption of the DOL-recommended performance standards adjustment methodologies for both JTPA and Wagner-Peyser would go a long way toward facilitating the coordination and integration of service delivery between two of the major human resource development systems in a state.

Major Criticisms of Peformance Standards

When considering the major problems and criticisms associated with the performance standards system, it is essential to differentiate between general conceptual problems affecting the system and specific technical shortcomings or limitations related to the adjustment models provided by DOL for state and local use. The discussion which follows is focussed upon the JTPA system. There has been little critical discussion of the Wagner-Peyser system for performance standards and its accompanying adjustment methodology, largely because it has not been put to the test of widespread usage.

Conceptual Issues

During the development and early implementation phases of performance standards, several criticisms have been levied against various system attributes, including:

- Too Numbers Focused. The aim of instituting performance standards is to create a performance-driven system which both encourages and rewards good performance, i.e., appropriate service to eligible participants. However, it can be argued that such a system causes too much attention to be focused on simply hitting the numbers -- at the possible expense of program quality.

- Creaming from the Eligible Population. Section 141 of the Act established a dichotomy regarding the targeting of program services by calling for the provision of "...employment and training opportunities to those who can benefit from, and who are most in need of, such opportunities...." By focusing service delivery largely on those individuals who are more job ready, program operators can substantially improve their (gross) program outcomes. Such individuals, considered the "cream" of the eligible population, usually require less intensive, shorter-term program treatments, while offering greater chances for immediate job placement or other positive outcomes. Whether achieved by outreach, recruitment, screening, assessment or activity assignment procedures, creaming of the eligible population offers a fast return on investment, translating to quick program successes in terms of increased placements at lower costs.

- Program Design Options. The decentralized nature of JTPA provides SDAs with a great deal of flexibility to plan and operate local job training programs. As long as the performance standards are geared toward termination-based, rather than post-program, measures, local program operators can continue to achieve higher performance numbers. Such choices may or may not meet the immediate employment-oriented goals of most participants, yet may sacrifice the chances for longer-term job and employment retention, wage gains and promotional opportunities.

Quick-fix options may be utilized in order to play the numbers game, and may not meet the needs of many participants. Examples of typical program design trade offs include:

- Increased use of short-term job search assistance activities rather than longer-term skills training which resulting in more placements at lower cost.

- Decreased emphasis on GED and English as a Second Language (ESL) programs for adults, which may be essential to ensure retention, and possibly attainment of quality jobs due to cost and because if no placement occurs, completion of such worthwhile and necessary activities counts as a non-positive outcome under the current Title IIA standards framework.

Program choices of the type and length of training to be offered influence the selection of target groups to be served and vice versa. The policy direction of the PIC, along with the program design choices of SDA management staff, determine the direction a program will take. Choices may be limited by many factors, including availability of funds and other resources, lack of qualified service providers, need of the eligible population as well as needs of the employer community. Standards are prescriptive by nature, however, they should be viewed as benchmarks which play a role in program design, not as the controlling factor.

Ultimately, local program operators are responsible for making management decisions, i.e., for making appropriate program choices designed to meet the job and skill demands of employers in their local communities. Such decisions are made more challenging by the effects of changing economic and labor market conditions.

Technical Issues

Criticisms associated with the performance standard adjustment models include:

- o Explanatory Power. Even considering that the models do not attempt to control for all factors related to performance predictions, the explanatory power of some of the models is relatively low. It may be that the models which have been developed attribute too much to local management and do not control sufficiently for non-management factors.

- o Data Limitations: Economic. Up-to-date local economic data for use in the standards adjustment process is difficult to obtain. This is particularly important in those SDAs and areas in which large plant shutdowns or other similar events have occurred. (Note that the governor may make allowances for just such situations at year's end, if an adjustment is requested.) In addition, differences often exist between the geographic boundaries of an SDA and the applicable labor market areas.

- o Data Limitations: Participant. Several problems exist regarding the participant (terminee) data considered by the models:

  - Terminee data cannot account for definitional differences -- including youth employment competency definitions -- prevalent in local and state reporting;

  - Data considered for inclusion is limited to data available for all SDAs, i.e., basic demographic information; and

  - It is difficult to assess the degree of importance of hard-to-serve or other groups for which factors are not explicitly included in the model.

- o Performance Expectations. By defining minimum acceptable levels of performance, the model does not account for chronic over- or under-achievers.

Directions for the Future

Post-Program Standards

The Department's move to implement post-program performance standards represents an effort to fulfill the original intent of the Act. As previously mentioned, Section 106 refers to JTPA-financed job training efforts as an investment in human capital. The development of post-program measures -- working alone or in conjunction with the current termination-based measures -- will provide a set of criteria for measuring the return on such investments.

The Act further states that the return on investment is to be measured by increased employment and earnings of participants and by reductions in welfare dependency. DOL has identified three candidate measures for which post-program data collection began in PY 1986. Implementation of any such standards is targeted for PY 1988. It should be noted that DOL does not forsee simply adding post-program standards to the existing seven standards. It is much more likely that one or more of these candidate post-program standards will be substituted for existing ones. Further, it should also be noted that the law does not require that exactly seven standards be established. DOL could just as easily choose to implement fewer than seven at some point in the future.

The candidate measures, which relate to terminee experiences during the 13-week period following receipt of program services, are defined as follows:

- Employment Rate (at follow-up): The percentage of total respondents (those with completed interviews) who were employed during the 13th full postprogram week;

- Average Weekly Earnings of Employed Respondents at follow-up: The sum total of gross (before tax, health and other deductions) weekly earnings of employed respondents during the 13th postprogram week, divided by the total number of respondents employed during the 13th week; and

- Average Number of Weeks Worked (in the follow-up period): The sum of the number of weeks worked during the full 13-week postprogram period by all respondents, divided by the total number of respondents.

Youth Program Goals and Objectives.

Although youth standards are mandated in JTPA's Title IIA adult and youth programs, no explicit references to performance measurement in the Title IIB summer youth programs were made until passage of the JTPA amendments of 1986 (P.L. 99-496). The amendments further clarified the purposes of the summer program as being to enhance basic educational skills, encourage school completion or enrollment in alternative school programs, and provide exposure to the world of work [Sec. 251]. For the first time, local service providers are required to assess participants' reading and math skills and to establish written program goals and objectives for use in evaluating program effectiveness [Sec.253].

To date, no federal regulations or further guidance has been issued by the Department as states and SDAs move to meet the new requirements. The amendments do specify four areas -- tied directly to the newly-stated program purpose -- which may be covered by the goals and objectives [Sec.255]:

- School retention and completion;

- Academic performance, including reading and math comprehension;

- Employability skills; and

- Coordination with other community service organizations.

Title III Performance Standards

Section 106(g) of JTPA requires the Secretary to prescribe Title III performance standards based on placement and retention in unsubsidized employment. DOL has yet to establish Title III standards or adjustment models similar to those provided for Title IIA programs; however, governors are required to set entered employment rate standards and are encouraged to set cost per entered employment goals for all Title III formula-funded programs, but not for those financed with the Secretary's discretionary Title III funds. In addition, a national entered employment goal of 60 percent is specified.

The overriding problem hindering the development and implementation of Title III standards lies in the Federal reporting requirements. Unlike the Title IIA requirements, which call for data reporting at the SDA-level, states must only provide Title III information at the state, rather than local project, level. This results in the compilation of a data base which is inadequate for use in developing adjustment models like those used by Title IIA programs. Although post-program data is now being collected for former Title III program participants, the problem continues since the new requirements also apply only to statewide reporting.

In Conclusion: Increased Job Training/Job Placement Coordination

In recent years, there has been considerable debate about the future shape and direction of the nation's labor exchange system. Important issues have been raised concerning the appropriate roles and functions for the federal and state governments, as well as their financing. In this era of tight budgets and reduced resource availability at all levels of government, it is apparent that increased coordination between JTPA, ES and other human resource development programs will continue to be emphasized. Whether this attention to coordination will include closer linkages in JTPA/ES planning and performance management, in order to achieve more cost-effective program interventions, remains to be seen.

Performance Standards in Job Training and Job Placement Programs

Footnotes

[1] For example, see: US Department of Labor, Employment and Training Administration, *Guide for Setting JTPA Title IIA Performance Standards for PY 87* (Washington, DC: March, 1987); *Measuring-Up: Planning and Managing with Performance Standards - PY 86* (Washington, DC: National Alliance of Business, 1986) and the companion piece, *Planning and Managing with Performance Standards: A Guide for PIC Members* (Washington, DC: National Alliance of Business, 1986); and *Beyond the Model: An Approach to Negotiating JTPA Performance Standards, Technical Assistance Guide* (Washington, DC: National Association of Counties, February, 1986).

[2] US Department of Labor, Manpower Administration, *Comprehensive Employment and Training Act of 1973: Program Assessment Guide* (Washington, DC: US Government Printing Office, 1975).

[3] This discussion relies upon two reports prepared by Abt Associates, Inc. Abt Associates, Inc. has performed much of the developmental work on performance standards for Wagner-Peyser programs over the last 10 years. These include: Charles K. Fairchild, *A Performance and Needs Based Methodology for Allocating Employment Service Grants: Final Report* (Cambridge, MA: Abt Associates, Inc., April 30, 1980) and Charles K. Fairchild, *Development of Employment Service Performance Standards for Substate Areas: Final Report* (Washington, DC: Abt Associates, Inc., September 30, 1985).

Performance Standards in Job Training and Job Placement Programs

Appendices

Appendix A

Key Components of the JTPA Performance Standards System

Factor Weights. For each local factor included in a given performance standard adjustment model, the multiple regression analysis computes a weight which defines the direction and extent of its impact on the standard. The weights are used to calculate the incremental change -- positive or negative -- in the performance standard that is caused by a change in the value of the local factor.

Local Factors. The local factors (i.e., terminee characteristics, average weeks of participation, local economic factors) are calculated for the given SDA for use in adjusting the national departure point or benchmark. The adjustment varies by the weighted amount of the difference between the local and national average values. The local factors vary for each of the seven models, and are included only if they are statistically significant.

National Averages. Calculated for each local factor included in the performance standard models, the national averages represent the average value -- across all SDAs -- for the most recent year for which complete data are available.

National Departure Points. This value serves as the benchmark from which local SDA performance standards are derived. It is adjusted upward or downward by the amount of variance of SDA local factor values from the national averages. The departure points used in the PY 1986/87 models are listed below. With the exception of the Youth Positive Termination Rate, which now accounts for the inclusion of youth employment competencies, all are set at the 25th percentile.

National Standards. For the seven performance measures, the numerical national standards serve as performance goals for the national JTPA system and may serve as local standards in states opting not to use the adjustment methodology. The PY 1986/87 national standards are equivalent to the rounded departure points used in the adjustment models.

Performance Measure Point Standard:	Departure	National
Adult Entered Employment Rate (AEER)	62.4 %	62.0 %[a]
Adult Cost per Entered Employment (ACEE)	$ 4374.00	$ 4374.00[b]
Adult Average Wage at Placement (AAWP)	$ 4.64	$ 4.91[c]
Adult Welfare Entered Employment Rate (AWEER)	51.3 %	51.0 %[d]
Youth Entered Employment Rate (YEER)	43.3 %	43.0 %[a]
Youth Positive Termination Rate (YPTR)	74.8 %	75.0 %[c]
Youth Cost per Positive Termination (YCPT)	$ 3711.00	$ 4900.00[d]

[a]Set at the lowest quartile, with 75% of the SDAs expected to meet or exceed this level of performance.
[b]Equivalent to the PY 1984/85 standard to encourage quality placements.
[c]Policy decision to set at this level -- CETA numbers high and PY 1984 JTPA low -- due to the inclusion of youth employment competencies.
[d]Policy decision to set over PY 1984 actual in order to allow flexibility in program service provision.

Performance Standard. The minimum acceptable level of performance for a specific measure of program outcomes.

Secretary's Parameters for Standard Adjustment. Governors are permitted to adjust local performance standards within the following parameters specified by DOL:

- Procedures must be:
  - responsive to the intent of the Act;
  - consistently applied among SDAs;
  - objective and equitable throughout the State; and
  - in conformance with widely accepted statistical criteria.
- Source data must be:
  - of public use quality; and
  - available upon request.
- Results must be:
  - clearly documented; and
  - reproducible.
- Adjustment factors must be limited to:
  - economic factors;
  - labor market conditions;
  - characteristics of the population to be served;
  - geographic factors; and
  - types of services to be provided.

Appendix B

Program Year 1986 and 1987
Adjustment Model Factors

ADULT MODELS:	AEER[1]		ACEE[2]		AAWP[3]		AWEER[4]	
Program Year:	1986	1987	1986	1987	1986	1987	1986	1987
Terminee Characteristics:								
% Female	X	X	X	X	X	X		
% 55+ years	X		X		X		X	
% Black	X	X	X	X	X	X	X	X
% Hispanic	X	X	X	X			X	
% Native American	X							X
% Asian		X	X	X	X		X	
% Dropout	X	X	X			X	X	X
% Handicapped	X	X			X		X	X
% UI Claimant	X	X	X	X	X	X		
% Welfare Recipient		X	X	X	X	X		
Program Characteristics:								
Average Weeks Enrolled				X	X			
Local Economic Characteristics:								
Average Area Wage	X		X		X			
UI Rate	X	X	X	X		X	X	
% Families Below Poverty	X			X	X			
Population Density	X	X		X	X	X	X	
Employee/Resident Worker Ratio	X				X		X	
Average Annual Earnings Wholesale/Retail Trade	X		X		X		X	

[1]AEER: Adult entered employment rate
[2]ACEE: Adult cost per entered employment
[3]AAWP: Adult average wage at placement
[4]AWEER: Adult welfare entered employment rate

YOUTH MODELS	YEER[1]		YPTR[2]		YCPT[3]	
Program Year:	1986	1987	1986	1987	1986	1987
Terminee Characteristics:						
% Female	X		X	X	X	
% 14 - 15 years	X	X	X		X	X
% 18 - 21 years	X					
% Black	X	X	X	X	X	X
% Hispanic	X	X	X	X	X	
% Native Americans	X	X	X			
% Asian		X				
% Dropout	X	X	X	X	X	X
% Student	X	X	X	X	X	
% High school graduate					X	X
% Post High School Attendee						
% Handicapped	X		X		X	
% Offender	X	X	X		X	X
% Welfare Recipients	X	X	X	X	X	X
Program Design:						
Average Weeks Enrolled					X	X
Local Economic Characteristics:						
Average Area Wage	X	X	X		X	
Unemployment Rate			X		X	
Population Density			X		X	
Average Annual Earnings						
Wholesale/Retail Trade						

[1]YEER: Youth entered employment rate
[2]YPTR: Youth positive termination rate
[3]YCPT: Youth cost per positive termination

Appendix C

An Annotated List of Selected Performance Standards References

JTPA

Guide for Setting JTPA Title IIA Performance Standards for PY 87, Washington, D.C.: U.S. Department of Labor, Employment and Training Administration, Office of Strategic Planning and Policy Development, March 1987. 264 pages, including 121 pages of appendices.

This eight-part report is the official Department of Labor guide to JTPA Title IIA performance standards for PY 1987. It is oriented to state-level staff but useful to local PIC/SDA (and service provider) staff as well. The guide presents standards in the context of performance management systems and details the current national standards, contrasting them with the departure points used in Department's optional performance adjustment model. Use of this optional model by governors in making SDA-level adjustments to the seven standards is strongly encouraged in the guide, with sections on the development of the model, the adjustment calculation steps, and appendices containing the worksheets and local economic data. New sections include options for governors to make beyond-the-model adjustments and means for setting goals in performance-based contracts. Note: The comparable Title IIA Guide for PY 1986 is also available and still appropriate, since the Department of Labor supports the use of either the PY 1987 or PY 1986 models during PY 1987.

For information contact: Karen Greene, U.S. Department of Labor, Employment and Training Administration, Room N-5310, 200 Constitution Avenue, N.W., Washington, D.C. 20210 (202/535-0687).

Development of Adjustment Models for PY 86 JTPA Performance Standards: Final Report, Menlo Park California: SRI International, June 1986. Prepared for the U.S. Department of Labor by Richard W. West and Katherine P. Dickinson. 145 pages.

This technical report details the development of the PY 1986 performance standards adjustment models, including sections on the choice of the underlying da models which were examined, and options considered for model departure points. The report also offers a section on possible beyond-the-model adjustments and a brief discussion of Title III standards and modeling issues. Note: The technical report for the PY 1987 model development process will be available from the Department of Labor later this year.

For information contact: Richard West or Kathy Dickinson, SRI International, 333 Ravenswood Avenue, Menlo Park, California 94025 (415/325-6200). Copies are also available through the Department of Labor; contact Karen Green at the Department of Labor (see above).

Beyond the Model: An Approach to Negotiating JTPA Performance Standards, Washington, D.C.: National Association of Counties, National Governors' Association and National Association of Private Industry Councils, February 1986, 77 pages.

Prepared as a joint effort by three major public interest groups, Beyond the Model is aimed at state and local program administrators working in the JTPA performance standards system. It presents an approach to negotiating local performance standards that will be reflective of local needs and conditions, and that can be used as a program management

tool. With regard to the negotiation process, it provides information on determining a basis for negotiation, methods for quantifying adjustments to local standards, the relationship of negotiation to six percent incentive grant funds and the respective roles of the state and SDAs in the negotiation process.

For information contact: National Association of Counties, 440 First Street, N.W., Washington, D.C. 20001 (202/393-6226).

A PIC Members Guide to Performance Standards: A Framework for Success, Washington, D.C.: National Association of Private Industry Councils, September 1986. Prepared by Lori Strumpf. 35 pages. This guide was developed to assist PIC members in understanding and carrying out their planning and oversight responsibilities under JTPA. It focuses on the Title IIA performacne standards system, and includes information on the legislative and programmatic background of performance standards, PY 1986 measures and standards, the role of standards in planning and policy development and how to define successful performance.

For information contact: NAPIC Youth Project, 810 18th Street, N.W., Suite 703, Washington, D.C. 20006 (202/223-5640).

Implementing Competency Standards: A Guide for Private Industry Council Members, Washington, D.C.: National Association of Private Industry Councils, January 1986. Prepared by Lori Strumpf. 29 pages.

Designed by use by PIC members, this guide provides information regarding the implementation issues -- programmatic and administrative -- associated with JTPA youth employment competencies (YEC). Major topics addressed include a discussion of what constitutes a YEC system, the development of system elements and steps to be undertaken in implementing such a system.

For information contact: NAPIC Youth Project (see above).

A Systems Approach to Youth Employment Competencies, Washington, D.C., U.S. Department of Labor, e.d. (1986). Prepared by Rick Spill, National Alliance of Business, under contract to the Technical Assistance and Training Corporation. 1,121 pages, including 442 pages of appendices.

This comprehensive guide provides almost everything state policymakers and local PIC/SDA program staff need to develop and implement youth employment competency systems under JTPA. All three major youth competency areas are covered: pre-employment/work maturity; basic education; and job specific skills. The guide presents the elements of a sufficiently developed competency system in relation to Department of Labor requirements. It reviews pivotal decisions determining what constitutes positive termination for attainment of youth competencies. Each of the three competency areas is examined in detail in terms of implementation strategies, measurement alternatives, appropriate components, and means of acknowledging achievement. Despite the author's claim that this is not a "how-to" guide, the hundreds of examples and appendix forms and checklists which are provided should be sufficient to enable state and local staff to proceed to implement youth competency systems.

For information contact: The NAB Clearinghouse or Karen Greene, U.S. Department of Labor (see above).

Planning and Managing with Performance Standards: A Guide for PIC Members, Washington, D.C.: National Alliance of Business, 1986. Prepared by Kenneth Ryan. 22 pages.

This is a very brief, PIC-oriented guide to local performance management responsibilities and the Department of Labor's PY 1986 adjustment model. It includes six suggested

performance reports which PICs may wish to use in conjunction with orientation to performance standards and performance management particularly for new PIC members. This guide is a companion to the more detailed guide, Measuring Up, described below.

For information contact: NAB Clearinghouse, 1015 15th Street, N.W., Washington, D.C. 20005 (202/289-2910) or any of the seven NAB Regional Service Offices.

Measuring Up: Planning and Managing with Performance Standards, PY 86, Washington, D.C.: National Alliance of Business, 1986. Prepared by Steven Golightly and Terence Singer, based upon an earlier version developed by the Employment and Training Institute, Inc. of New Jersey. 45 pages.

This is the more technical companion piece to the guide discussed above. Following a brief overview of the evolution of and rationale supporting the PY 1986 JTPA standards, this PIC oriented guide presents a systematic approach to collecting and analyzing performance data on activities and contractors locally, complete with a series of worksheets. It also provides worksheets to enable comparison with other SDAs. The guide offers two possible approaches for PICs to take in response to identified performance problems: one to assist with existing systems and contractors, the Oversight Response; and the other to help with new approaches, the Planning Response. An IBM compatible software package, with annual updates, is available to accompany the guide ($349 for the software, $50 per update).

For information contact: NAB Clearinghouse (see above).

Follow-Up Technical Assistance Guide for PostProgram Data Collection Under the Job Training Partnership Act, Washington, D.C.: U.S. Department of Labor, Employment and Training Administration, Version 3.0, June 1986. Prepared by Christopher T. King, Steve Marcus, and Laura L. Pittman. 137 pages.

This guide is the official Department of Labor guide to the new data collection and reporting requirements for JTPA Title IIA and Title III which went into effect in October 1986. The guide offers suggestions on organizing and operating a postprogram data collection effort, provides detailed procedures to follow in contacting and interviewing former participants, and includes sections on adjusting for response rate bias and validating interview data. The appendices include sample forms used in several states, references on survey research, etc.

For information contact: Karen Greene, U.S. Department of Labor (see above).

Job Training Partnership Act Performance Standards for Reductions in Welfare Dependency: Technical Assistance Guide, Washington, D.C.: Technical Assistance Guide, U.S. Department of Labor, Employment and Training Administration, Office of Strategic Planning and Policy Development, September 30, 1985. Prepared by Deborah Kogan, Nancy Dickinson and David Drury of Berkeley Planning Associates. 75 pages.

This guide is directed to both states and local PICs/SDAs interested in pursuing either the establishment of optional welfare reductions standards beyond those required by the Department of Labor or estimating the impact of JTPA on welfare case closures or grants. It describes three distinct alternative approaches which can be used: direct measurement of case closures and grant reduction outcomes using client-level welfare agency records; development and use of a statistical (regression) model to estimate closures and grant reductions based upon past relationships; and application of case closure and grant reduction formulas (to JTPA outcomes data) derived from welfare agency administrative rules. Because of the wide variation in welfare programs between states and localities, the guide necessarily constitutes a useful beginning point for developing such approaches. It also provides a brief discussion of the steps necessary to estimate net, rather than gross, welfare savings.

For information contact: Deborah Kogan, Berkeley Planning Associates, 3200 Adeline Street, Berkeley, California 94703 (415/652-0999); or contact Karen Greene, U.S. Department of Labor (see above).

Wagner-Peyser

Guide for Establishing Employment Service Substate Performance Standards, Washington, D.C.: U.S. Department of Labor, June 1985. Prepared for the U.S. Department of Labor by Charles K. Fairchild, Abt Associates, Inc., Washington, D.C. (Issued as Field Memorandum No. 18-86, November 19,1985.) 53 pages.

This is the official Department of Labor guide for adjusting employment service standards at the substate level. Its adoption and use by states is optional. The guide presents a brief overview of employment service performance standards and offers eleven outcome, efficiency and work test measures which states may want to consider for use at the state or substate level. It outlines methods for establishing standards for those measures, including a statistical methodology, or models, which can be used for four of the measures, adjusting for economic conditions, registrant characteristics, and resource levels. A final section describes using the standards and adjustment models in planning, monitoring and assessing performance. The guide also contains appendices with calculation worksheets and terms and definitions.

For information contact: Karen Greene, U.S. Department of Labor (see above).

Development of Employment Service Performance Standards for Substate Areas, Washington, D.C.: Abt Associates, Inc., September 30, 1985. Prepared under contract to the U.S. Department of Labor by Charles K. Fairchild. 71pages.

This report contains the technical analysis which supported the development of the substate ES performance standards TAG. Following a brief conceptual overview of ES standards, the report presents the results of the modeling process based upon several years of data in 18 participating states.

For information contact: Charles Fairchild, Abt Associates, Inc., 4250 Connecticut Avenue, N.W., Suite 500, Washington, D.C. 20008 (202/362-2800).

About the Authors

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Laura L. Pittman works for the state JTPA program in the Texas Department of Community Affairs where she is responsible for performance standards and post-program data systems. In addition to staffing Texas' Performance Standards Workgroup, she has served on the U.S. Department of Labor's Performance Standards Technical Workgroups for several years. She co-authored the recent DOL guide to post-program data collection and has conducted numerous performance standards training sessions throughout the country. She holds a Masters Degree from the Lyndon Baines Johnson School of Public Affairs of the University of Texas at Austin.